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14 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
15 **FOR THE COUNTY OF SANTA CLARA**

17 **PEOPLE OF THE STATE OF**
18 **CALIFORNIA,**

19 Plaintiff,

20 **v.**

21 **HEWLETT-PACKARD COMPANY, a**
Delaware Corporation,

22 Defendant.

CASE NO.:

**STIPULATION FOR ENTRY OF
FINAL JUDGMENT AND
PERMANENT INJUNCTION**

24
25 Plaintiff, the People of the State of California ("People" or "Plaintiff"), through its
26 attorneys, Bill Lockyer, Attorney General of the State of California, by Chief Assistant Attorney
27 General Tom Greene, Senior Assistant Attorney General Albert Norman Shelden, and Deputy
28 Attorney General Catherine Z. Ysrael, and defendant Hewlett-Packard Company, a Delaware

1 corporation (hereinafter, "HP"), appearing through its attorneys Morgan, Lewis & Bockius LLP,
2 by Michael J. Holston and John H. Hemann, hereby stipulate as follows:

3 1. This Court has jurisdiction of the subject matter hereof and the parties to this
4 stipulation.

5 2. The Permanent Injunction and Final Judgment ("Judgment"), a true and correct
6 copy of which is attached hereto as Exhibit A, may be entered by a judge or commissioner of the
7 Santa Clara County Superior Court. Counsel for Plaintiff may submit the Judgment to any judge
8 or commissioner of the superior court for approval and signature, during the court's ex parte
9 calendar or on any other ex parte basis.

10 3. Plaintiff and HP (collectively, "the Parties") hereby waive their right to move for
11 a new trial or otherwise seek to set aside the Judgment through any collateral attack, and further
12 waive their right to appeal from the Judgment, except that Plaintiff and HP each agree that this
13 Court shall retain jurisdiction for the purposes specified in paragraph J of the Judgment, as well
14 as for the enforcement of compliance with or punishment of violations of the Judgment.

15 4. HP is headquartered in Palo Alto, California. HP employs over 150,000 people,
16 and serves more than one billion customers in more than 170 countries on six continents. The
17 Parties recognize that HP does and may legitimately conduct investigations into various illegal
18 and improper conduct, including but not limited to the theft of its trade secrets and other
19 intellectual property, consumer fraud, computer intrusions, and myriad other matters that affect
20 its business operations.

21 5. The parties agree that since the time the Attorney General and HP commenced
22 negotiations to resolve this action, HP has undertaken a number of relevant corporate governance
23 reforms of which it has kept the Attorney General informed, but that the Attorney General
24 believes certain additional reforms are needed.

25 6. The Parties have stipulated and consented to the entry of the Judgment without
26 the taking of proof and without trial or adjudication of any fact or law herein, without the
27 Judgment constituting evidence of or an admission by HP regarding any issue of law or fact
28 alleged in the Complaint on file herein, and without any defendant admitting any liability herein,
in so far as any other litigation regarding allegations of violations which occurred prior to the
entry of this Final Judgment and Permanent Injunction is concerned.

7. HP will accept service of any Notice of Entry of Judgment entered in this action

1 by delivery of such notice to its counsel of record, and agrees that service of the Notice of Entry
2 of Judgment will be deemed personal service upon it for all purposes.

3 8. Charles N. Charnas is the Vice President, Acting General Counsel, and Assistant
4 Secretary of HP, and that, as such, he has been authorized by HP to sign this Stipulation for
5 Entry of Final Judgment and Permanent Injunction on behalf of HP.

6 DATED: December 7, 2006

BILL LOCKYER
Attorney General
TOM GREENE
Chief Assistant Attorney General
ALBERT NORMAN SHELDEN
Senior Assistant Attorney General
CATHERINE Z. YSRAEL
Deputy Attorney General

11 By: _____

CATHERINE Z. YSRAEL
Deputy Attorney General
Attorneys for Plaintiff

14 DATED: December 7, 2006

MORGAN, LEWIS & BOCKIUS LLP,

16 By: _____

JOHN H. HEMANN
Attorneys for Defendant Hewlett-Packard Company

18 DATED: December 7, 2006

HEWLETT-PACKARD COMPANY

20 By: _____

CHARLES N. CHARNAS
Vice President, Acting General Counsel,
and Assistant Secretary